UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
Office of Air Quality Planning and Standards
Research Triangle Park, North Carolina 27711

January 11, 1990

Mr. Bill Bridwell
Chief Engineer, Environmental Division
Ponca City Refinery
Conoco Inc.
Post Office Box 1267
Ponca City, Oklahoma 74603

Dear Mr. Bridwell:

Thank you for taking the time to discuss Conoco's proposed sulfur recovery unit at the Ponca City refinery. As a result of the material you provided to the Environmental Protection Agency (EPA) and our conference call on December 18, 1989, we have gained a more complete understanding of the air quality issues at Conoco's Ponca City refinery. The remaining issue and the focus of our December 18 discussion was the adequacy of the demonstration of ambient equivalence. However, as described below, we have determined that the demonstration does not yet meet the emission trading policy requirements, and we do not believe an exception to the policy is warranted.

The emission trading policy clearly requires a Level III analysis, where a Level II analysis predicts one or more exceedances of the Level II significance values. Such exceedances have been found at the Ponca City refinery. While "other techniques," as discussed in the conference call and contained in the February 17, 1983 policy memorandum, may be used to determine ambient equivalence, this does not eliminate the requirement for a Level III analysis once an exceedance of the significance levels is identified.

You expressed concern about the time and expense involved in Level III modeling and asked if EPA could use discretion to exempt the plant from a Level III analysis. The emission trading policy provides that EPA may decide on a case-by-case basis to allow a geographically-limited Level III analysis. Therefore, we believe that it will be possible to keep the cost of modeling to within reasonable bounds by using sound judgment in determining which sources should be included in the analysis. While some flexibility is provided by this provision, it still requires Level III, or full dispersion modeling. The policy does not envision the use of other techniques in lieu of Level III modeling.

In pursuing the analysis, we strongly encourage Conoco to consult with the EPA Region 6 Office. As indicated in the conference call, there are several issues which will require further discussion. Specifically, the analysis needs to include receptors in all relevant areas of ambient air and in areas where historical violations have been documented.

Finally, as the Region 6 staff stated in the conference call, final approval of State implementation plan (SIP) revisions must be published in the Federal Register. Although the process of review and approval can be expedited, it cannot be completed so quickly as to coincide with the desired startup of the sulfur recovery unit in January 1990. The more closely the analysis comports with the emission trading policy, however, the more likely EPA can quickly review and act on the SIP revision.

I appreciate the effort you took to present these issues and the opportunity to discuss them with you. While I recognize and encourage the plantwide, net reduction in emissions from this project, I remain concerned that localized concentrations of sulfur dioxide need to be protective of public health. I further urge you to work with our Region 6 staff, who are prepared to assist you. If you have any questions regarding this letter, please call me at (919) 541-0877.

Sincerely,

Eric O. Ginsburg
Chief
Sulfur Dioxide Programs Section

cc: Robert Bauman, OAQPS
Tom Diggs, Region 6
John Draft, Oklahoma Air Quality Service
Doug Grano, OAQPS
Brad Raffles, Conoco
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bcc: Jill Vitas, OAQPS
Regional Modeling Contact, Regions I-X

FY 90 MODEL CLEARINGHOUSE MEMORANDA

Date	Region	Subject
10/17/89	VI	Ambient Air
11/7/89	II	Interpretation of On-site Meteorological Data Requirements and the Use of RTDM for a PSD Source
11/28/89	VIII	Utah PM-10 Secondary Sulfate and Nitrate Calculations
01/02/90	IV	Effect of Changing Stack Heights on Prevention of Significant Deterioration (PSD) Modeling and Monitoring
01/10/90	VIII	Utah PM-10, Secondary Sulfate and Projections
01/10/90	VIII	Review of The Utah County PM-10 Draft SIP
01/11/90	VI	Alternative Emission Reduction (Bubble) SIP Revision Authorizing Operation of a New Sulfur Recovery Plant at the Conoco Inc. Ponca City Refinery
01/16/90	VI	Recent Texas Air Control Board (TACB) Evaluation of the ISC Area Source Algorithm
01/16/90	V	Refined Metals Lead Modeling Analysis